



# *Medicaid & Schools*

## ***Welcome***

The 2000-2001 school year was very successful in Medicaid billing. Forty-eight school divisions submitted invoices to Medicaid. The amount of revenue **received** totaled \$1,295,866, an increase of \$91,800 from the previous year.

<b>2000-2001 Medicaid billing</b>		
12 School Divisions	Early Periodic Screening, Diagnosis, and Treatment (comprehensive physicals)	Received \$119,318
43 School Divisions	Rehabilitation Services	Received \$1,176,548
48 School Divisions	EPSDT and Rehabilitation Medicaid Services	Total received \$1,295,866

Medicaid providers in the 2001-2002 school year have increased from 48 to 74. Billing Medicaid for services in the IEP provides additional revenue for an already over-taxed school budget. Revenue that has been received through Medicaid billing can be used for assistive technology, increasing nursing and rehabilitation provider staff, purchasing augmentative communication devices, paying for certifications and dues for providers, staff development for therapist, psychologist and nursing personnel, computers/software and equipment for therapists and nursing staff.

## **The Department of Medical Assistance Services Clarification on the Definition of Medicaid School-based Services**

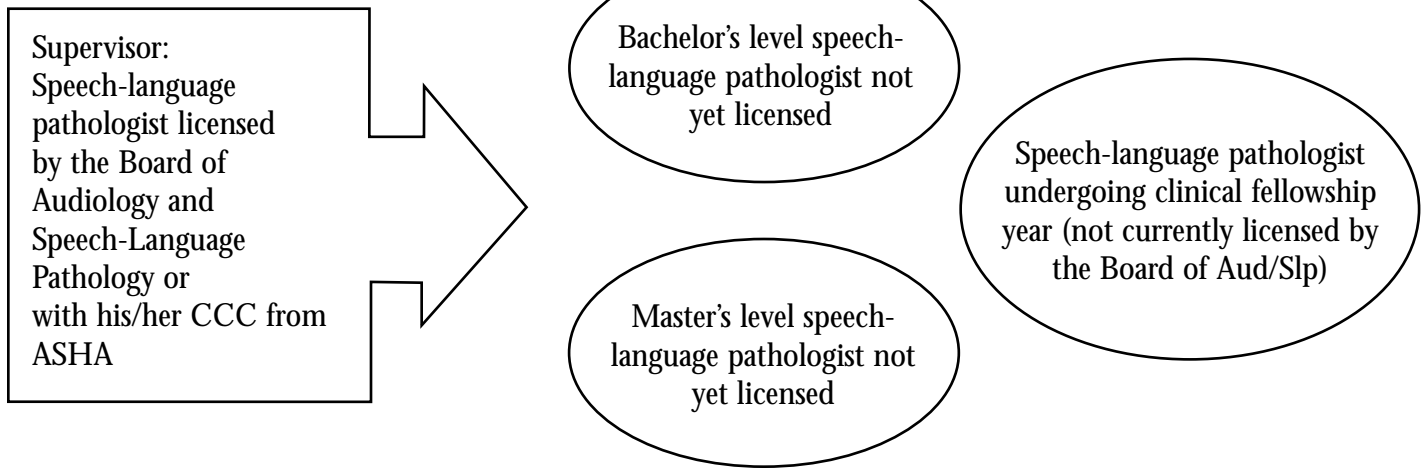
Medicaid school-based services are defined under the DMAS school-based services regulations. The services are those therapy, skilled nursing, and psychiatric/psychological services as outlined in the Individual Education Plan (IEP) and rendered to children who qualify under the federal Individuals with Disabilities Education Act. DMAS also covers school-based early and periodic, screening, diagnosis, and treatment (EPSDT) screenings for the general Medicaid student population. Medicaid school-based services are to be rendered by (1) employees of the school divisions or (2) providers that contract with school divisions and billed by the school division.

### **In order to receive DMAS reimbursement for Medicaid school-based services:**

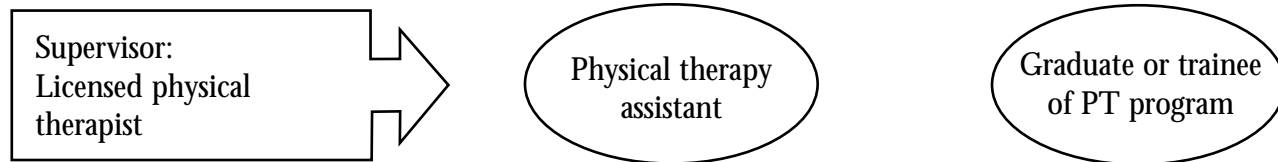
1. Services must meet DMAS' medical necessity criteria.
2. The school division must be enrolled with DMAS as a provider.
3. Claims for all Medicaid school-based services must be billed to DMAS by the school division using the school division's Medicaid provider number. These Medicaid school-based services include those services provided by either the school division and/or provided by the school division's contractor(s).
4. DMAS will not directly reimburse contractors of school divisions for Medicaid school-based services. DMAS considers the school division responsible for payments to providers with whom the school division negotiates contracts.

# Supervision Requirements for Rehabilitation Services

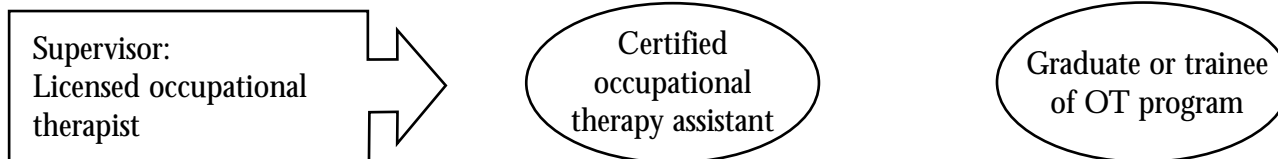
## Speech-Language Pathology



## Physical Therapy



## Occupational Therapy



The supervising SLP/PT/OT must supervise each Medicaid recipient's therapy session every 30 days. Supervisory visit must be documented in the assistant's monthly notes which must be signed by the supervising therapist. When making assignments to the assistant, remember that the supervising therapists' caseload must be reduced to allow for the time needed for supervision.

NOTE: A bachelor's level speech-language pathologist, master's level speech-language pathologist not licensed by the Board of Audiology and Speech-Language Pathology, physical therapy assistants, and occupational therapy assistants may not write the Plan of Care. Time should also be allocated for the supervising therapist to prepare the Plan of Care.

## Skilled Nursing Documentation by Exemption

Previously, nurses were required to write a comment regarding the skilled nursing procedure on the log for Skilled Nursing Procedure. Currently, a key is used for documentation: N= Normal (no reaction) and V= Variance from normal or standard. "N" requires no further comment; however, "V" requires documentation.

## Psychological Services

Below are the provider qualifications for a school division to bill Medicaid.

- Psychiatrist licensed by the Board of Medicine
- Clinical psychologist licensed by the Board of Psychology
- School psychologist licensed by the Board of Psychology
- School psychologist with a limited license by the Board of Psychology
  - must be licensed by the Board of Education with an endorsement in psychology and a master's degree in psychology. This license does not examination. For an application, call the Board of Psychology (804) 662-9912.

Testing by a psychologist that results in eligibility for special education and development of an IEP is a Medicaid billable service. For a complete list of billable services you can access the DOE Web page at <http://www.pen.k12.va.us/VDOE/Instruction/Sped/mecaidmain.html>.

### Eligibility and IEP (Individualized Education Program) Meetings

Due to a ruling by CMS (Centers for Medicare and Medicaid Services), the federal agency with oversight over Medicaid, effective May 1, 2002, school divisions will not be able to bill for eligibility or IEP meetings. School divisions will still have up to one year from the date of service to bill Medicaid for that service.

## School Divisions billing for Outside Therapy Agencies

School divisions that contract with outside rehabilitation agencies should be alerted to changes in Medicaid policy. Effective July 1, 2002, outside agencies will no longer be able to bill Medicaid for physical therapy, occupational therapy, and speech-language therapy services provided in schools. The school division must be the provider billing Medicaid and the outside rehabilitation agency must provide documentation according to the school division billing requirements. Please contact Amy Edwards for assistance in implementing this policy change and planning future budgets.

## Early Periodic Screening, Diagnosis, and Treatment (EPSDT)

The Department of Medicaid Assistance Services has corrected the computer problem that has been erroneously deducting the state's share from the EPSDT payment. All claims processed within the last three years should automatically be paid by First Health (DMAS's billing agent) with a computer-generated remittance voucher and a check reimbursing the state's share. Claims older than three years have been manually paid by DMAS. If you have not received information on this, please contact Amy Edwards.

## Most Common Documentation Errors

Below is a list of the most common documentation errors. These errors were found by WVMI during the pre-authorization process:



- Short-term goals that are the same measurement/achievement date as the long-term goals
- Short-term goals do not have achievement dates
- Long-term goals that are not dated
- Results/outcomes that are not measurable

## Diagnosis Codes

DMAS is now requiring that all diagnosis codes be specific to the child's condition. Three digit diagnosis will no longer be accepted (there may be a few exceptions). All diagnosis codes must be 4-5 digits. You will need a copy of the ICD-9 code book which can be purchased at local book stores or ordered through some health catalogues.

## NEW Department of Education Medicaid Web Page

The Department of Education now has a Web page with Medicaid information. This information includes services, billing rates, provider qualifications, forms and the latest updates and links to the Department of Medical Assistance Services Web site. The address for this Web page is <http://www.pen.k12.va.us/VDOE/Instruction/Sped/medicaidmain.html>.

Please contact Amy Edwards regarding information that you would like posted on the Medicaid Web page.

## Reminders and Important Due Dates

- Please submit the license for each provider annually. Send a copy to Virginia Department of Education c/o Amy Edwards. If you have not submitted a current copy of your license, **DO NOT BILL MEDICAID FOR REIMBURSEMENT**. Documentation for a master's level speech-language pathologist must be a copy of the current Board of Audiology and Speech-Language Pathology license or a current ASHA membership card unless the therapist is being supervised. **DO NOT** send a copy of the Board of Education license, as this does not meet Medicaid provider requirements. Also, only submit licenses for those providers that are providing services to Medicaid recipients. If there is no documentation for providers in a specific discipline, Medicaid will be informed and the school division cannot bill for those services. DMAS will code the computer to deny any claims for those service.

- Quarterly reports are DUE to the Department of Medical Assistance Services, Fiscal Director, 600 E. Broad Street, Richmond, VA 23219, and The Virginia Department of Education, Medicaid Specialist, P.O. Box 2120, Richmond, VA 23218 on the dates below. Please send the original quarterly report to DMAS and a copy to the Department of Education. **THIS REQUIREMENT IS A CONDITION OF REIMBURSEMENT AS STATED IN THE SCHOOL DIVISION PROVIDER AGREEMENT WITH DMAS**

**July 15**  
**October 15**  
**January 15**  
**April 15**

- The Parental Consent form that allows school divisions to release health related student information to DMAS and it's billing agents must be completed before any services can be billed to Medicaid. This is a FERPA (Family Education Rights and Privacy Act) requirement. Many school divisions find it most effective if this form is completed and signed at the time of the consent for the evaluation. This will allow the school division to bill for ALL Medicaid school division billable procedures. FERPA gives the parent/guardian the right to revoke permission at anytime for that child. A copy of the parental consent is available at <http://www.pen.k12.va.us/VDOE/Instruction/Sped/medicaidmain.html> Web address.
- If the Plan of Care is to be implemented for the school year, please make sure that the long term goals/objectives are dated according to the school year (e.g.: September 3, 2000 to June 20, 2001). If the plan of care is to be implemented according to the IEP dates, the IEP end date should be noted in the long-term goals/objective section in the Plan of Care. In addition, make sure that the results/outcomes are measurable.

## Computer Changes

First Health, the billing agent for DMAS, will be changing to a new computer system within the next year. There will be test runs and computer glitches along the way. Medicaid has asked patience during this time. The Department of Education has asked DMAS to note on the remittance vouchers if it is conducting a computer test. If you receive a remittance voucher that does not appear to be correct, please fax a copy to Amy Edwards, who will report problems to DMAS.

## Federal Reimbursement Rates

Currently, federal Medicaid funds reimburse school divisions 51.45 percent for expenses from the rehabilitation, eligibility and IEP meeting, and skilled nursing services, and psychological services billing.

## Family Access To Medical Insurance Securities (FAMIS)

The FAMIS program has now replaced The Children's Medical Insurance Securities Program (CMSIP). School divisions can bill for occupational therapy, physical therapy, speech-language pathology, and skilled nursing services for children with IEP's for FAMIS recipients. Claims for these services are to be submitted directly to DMAS. Psychological and EPSDT's services are not covered under FAMIS.

## Legislative Update

Senator Puller sponsored legislation in the 2002 General Assembly to add specialized transportation coverage from home to school for children in special education. Transportation will be reimbursed only on days that a student receives a DMAS reimbursable service such as physical therapy and skilled nursing. The Virginia Department of Education and the Department of Medical Assistance Services will be working together to implement this new service. Information will be submitted to all special education directors as more information becomes available.



## *Frequently Asked Questions*

**Question –** Can the number of minutes for therapy be written instead of the number of sessions per week?

**Answer –** No. You may put a range of sessions per week (e.g. 1-2 sessions/wk) on the Plan of Care.

**Question –** When the therapist completes a program generated re-evaluation, can Medicaid be billed for the evaluation?

**Answer –** No. the re-evaluation can however be billed as a session. Medicaid will not pay for a re-evaluation unless it is a result of a significant change in the child's condition or due to a significant break in service (i.e. because of a hospital stay).

**Question –** Can inclusion services (e.g. providing therapy in the classroom) be billed to Medicaid?

**Answer –** Yes, as long as it is written in the IEP as individual or group therapy and the actual number of students with an IEP for that service is under six or under, you may bill it as either individual (if only one student has an IEP) or group therapy. It is acceptable for non-special education or non-Medicaid eligible students to receive incidental benefits from the service in the classroom.

**Question –** When completing the initial clinical interview for psychological services can the family history and medical history be completed over the phone by the psychologist?

**Answer –** Yes, if the parent does not attend any of those meetings, the psychologist may get that information by phone. If the parent attends the IEP meeting, this information would be reviewed with the parent.

## **Virginia Department of Education Contacts:**

Below are the contacts for the Medicaid in Public Schools program.

### **Amy Edwards**

Medicaid Specialist  
Virginia Department of Education  
P.O. Box 2120  
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### **Gwen Smith, R.N., M.S.N.**

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